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# OFFICIAL GAZETTE

## GOVERNMENT OF GOA

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### EXTRAORDINARY

### No. 2

#### GOVERNMENT OF GOA

Department of Law  
Legal Affairs Division

#### Notification

7/32/2023-LA

The Goa Co-operative Societies (Second Amendment) Act, 2023 (Goa Act 42 of 2023), which has been passed by the Legislative Assembly of Goa on 03-08-2023 and assented to by the Governor of Goa on 4-10-2023, is hereby published for the general information of the public.

*Dnyaneshwar Raut Dessai*, Joint Secretary (Law).

Porvorim, 18th October, 2023.

#### The Goa Co-operative Societies (Second Amendment) Act, 2023

(Goa Act 42 of 2023) [4-10-2023]

AN

ACT

*further to amend the Goa Co-operative Societies Act, 2001 (Goa Act 36 of 2001).*

BE it enacted by the Legislative Assembly of Goa in the Seventy-fourth Year of the Republic of India as follows:—

1. *Short title and commencement.*— (1) This Act may be called the Goa Co-operative Societies (Second Amendment) Act, 2023.

(2) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.

2. *Substitution of section 24.*— In the Goa Co-operative Societies Act, 2001 (Goa Act 36 of 2001) (hereinafter referred to as the “principal Act”, for section 24, the following section shall be substituted, namely:—

“24. *Cessation of membership.*— (1) A person shall cease to be a member of a society on his resignation from the membership, or on the transfer of the whole of his share or interest in the society to another member, or on his death, or removal or expulsion from the society, or ceasing to hold the qualification for the membership under the bye-laws of the society, or where a firm, company, any other corporate body, society or trust is a member, on its dissolution or ceasing to exist.

(2) The member may resign from the membership of the society by writing

under his hand a letter on a plain paper addressed and submitted to the Chairman and in his absence, to the Vice Chairman, and in their absence to the Chief Executive.

(3) Resignation of member shall become effective on expiry of ten days from the date of submission of resignation letter under sub-section (2) unless before expiry of the said period he withdraws such resignation by writing under his hand a letter addressed to the Chairman, Vice-Chairman or Chief Executive, as the case may be.”.

3. *Amendment of section 42.*— In section 42 of the principal Act, (i) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Notwithstanding anything contained in any other provisions of this Act or any other Act for the time being in force, every co-operative society, the primary object of which is to create funds for lending money to its members, shall at all times abide by the following conditions, namely:—

(a) loan shall not be sanctioned to any person who is not a citizen of India;

(b) the rate of interest charged for any kind of loan shall not be more than thirteen per cent per annum;

(c) in case of default in repayment of any loan, the penal interest chargeable shall not be more than two per cent per annum over and above the rate of interest applicable to the loan as per sanctioning terms;

(d) the processing fees payable by whatever name called for processing and sanctioning of any loan shall not exceed 0.25% of the loan amount sanctioned and such processing fees shall not be charged more than once for any loan account;

(e) interest on all types of loans shall be charged at every quarter ending with June, September, December and March or monthly basis as may be decided by the board of directors from time to time;

(f) there shall be no other charges or hidden costs while sanctioning of any loan except in accordance with this section.”;

(ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Where the Registrar is satisfied that any society has failed to abide by any condition specified in sub-section (2), he may take following action against the person responsible, namely:—

(a) if such person is a member of the committee of the society, by order remove him from the committee and appoint any other person as a member of the committee for the remainder of the term of his office and declare him to be disqualified to be such member for a period of six years from the date of the order;

(b) if such person is an employee of the society, by order direct the committee to remove such person from employment of the society forthwith, and if any member or members of the committee, without any justifiable reason fail to comply with such order, remove the member and appoint any other person/s as member/s and declare them disqualified as provided in clause (a) above;

(c) if any member of board is responsible for any violation of the conditions imposed under sub-section (2), take the cognizance of such violation and after giving due opportunity to the member concerned

of being heard, may disqualify him to continue on the board for the remainder term. The member so disqualified shall be ineligible for being chosen as a director of said society forever:

Provided that before passing any order under this sub-section, the Registrar shall give a reasonable opportunity of being heard to the person or persons concerned and consult the federal society to which the society is affiliated.

(4) Order passed by the Registrar under sub-section (3) shall be final.”.

4. *Amendment of section 67.*— In section 67 of the principal Act,—

(i) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) Any member of the board may resign his office by writing under his hand a letter on a plain paper addressed and submitted to the Chairman and the Chairman may resign his office by writing under his hand a letter on a plain paper addressed and submitted to the Chief Executive. In the event of resignation of office bearer, the election of new office bearer shall be done in accordance with the provisions of bye-laws of the society. In the event where the resignation is from majority of the members on the board including the Chairman, or otherwise, such resignations shall be handed over to the Chief Executive who shall forward the same to the Registrar. The Registrar, after receiving the resignations of the majority of the members of the board shall assess the situation and decide the course of action in accordance with the provisions of the Act.”;

(ii) after sub-section (4), the following sub-sections shall be inserted, namely:—

“(5) Resignation under sub-section (4) shall become effective on expiry of ten days from the date of submission of resignation letter under sub-section (4), unless before the expiry of said period of ten days such member by writing under his hand a letter addressed to the Chairman, Vice-Chairman, Chief Executive or the Registrar, as the case may be, withdraws his resignation.

(6) The member of the board shall be deemed to have vacated his post and he shall cease to hold such post from the date his resignation becoming effective under sub-section (5).

(7) After such resignation becoming effective, the Chief Executive shall within seven days convene a meeting of board and place such resignation for information of the board.

(8) The Chief Executive shall submit a detailed report of the vacancy arising due to resignation to the Registrar within 15 days from the date of resignation becoming effective.

(9) The member who has resigned from the post of director or office bearer shall not be subject to any duties or liabilities of such post under this Act or Rules or bye-laws of the Society concerned from the date of his resignation becoming effective under this section.

(10) Notwithstanding the fact that a member has resigned from the post of director or office bearer of Society, all outstanding dues payable by him as on the date of his resignation taking effect shall be paid by such member to the Society failing which the same shall be recovered from him in the same manner as provided under this Act for recovery from a member of the Society.

(11) In the event of such post of director or office bearer as the case may be falling vacant, the same shall be filled

in accordance with the provisions of this Act and the rules as may be applicable.”.

5. *Amendment of section 74.*— In section 74 of the principal Act, in sub-section (9), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that in any case of the above societies, if there is no paid employee or if the employee/s available and/or the Chief Executive is, in the opinion of the board of directors not capable of preparing such statement of accounts and audit report as required under sub-section (9) of this section, then, the board of directors

may adopt a resolution to appoint an Auditor from the panel of Auditors prepared under this section and obtain audit report instead of statement of accounts by the chief executive and may comply with the provisions of sub-section (9) by using such audit report in place of statement of account by chief executive.”.

Secretariat,  
Porvorim-Goa.  
Dated: 18-10-2023.

SANDIP JACQUES,  
Secretary to the  
Government of Goa,  
Law Department  
(Legal Affairs).

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